

CONFIDENTIAL

BIWEEKLY REPORT

SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

EIC-WGR-1/24

7 January 1957

**PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS**

ECONOMIC INTELLIGENCE COMMITTEE

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Summary of Events
21 December 1956 - 3 January 1957

Efforts of the Sino-Soviet Bloc to expand economic relations with the Free World during the period 21 December 1956 - 3 January 1957 included the purchase by Syria of 40,000 tons of gas oil from the USSR and offers by the USSR and Communist China to assist Thailand with its economic development.

The offers of aid to Thailand by Communist China and the USSR are not being considered seriously by Thailand. Although the ban on trade between Thailand and Communist China was lifted by the Thai government in June 1956, very little trade has yet taken place.

Trade between India and the Sino-Soviet Bloc increased in value during July-September 1956. The value of trade between India and the Bloc for the first 9 months of 1956 totaled \$57.6 million, an increase of \$41.2 million over the value of trade during the first 9 months of 1955.

Eight consignments of equipment for the construction of the Soviet-financed steel plant in Bhilai have been delivered to India by the USSR, and construction is reported to be progressing according to schedule. Initial steel production in the plant is expected by the end of 1958.

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